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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

November 4, 2015

Eric C. Olsen  
Deseret Power Electric Cooperative  
12500 East 25500 South  
Vernal, Utah 84078

Subject: Initial Review of Updated Notice of Intention to Commence Large Mining Operations, Deseret Power Electric Cooperative, Diamond Mountain Resources Mine, M/047/0066, Uintah County, Utah

Dear Mr. Olsen:

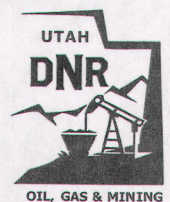
The Division of Oil, Gas and Mining has completed a review of the referenced Notice of Intention to Commence Large Mining Operations (Notice) which was received October 2, 2015. The attached comments will need to be addressed before the updated Notice is approved.

The comments are listed under the applicable Minerals Rule heading; please format your response in a similar fashion. Please address only those items requested in the attached technical review using **redline and strikeout** text. When the Notice is determined technically complete, the Division will request two clean copies. Both will be stamped approved, and one will be returned for your records.

The Division has the following general comments:

- The submittal is spiral bound which makes it very difficult to update any pages, such as those needed for a response to this review. The Division asks that, in response to this review, you provide a copy of the complete Notice without the spiral binder.
- The submittal should be formatted to easily incorporate additional revisions and amendments.
- The Division may have additional comments based on the review responses.

Please submit your response to this review by December 14, 2015.

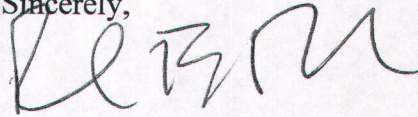




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The Division will suspend further review until receiving your response to this letter. Please contact April Abate (aa) at 801-538-5214, Wayne Western (whw) at 801-538-5263, Lynn Kunzler (lk) at 801-538-5310, or me at 801-538-5261 if you have questions about the review. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. B. Baker', written in a cursive style.

Paul B. Baker  
Minerals Program Manager

PBB: aa: eb  
Attachment: Review  
cc: FS, David Herron (daherron@fs.fed.us)  
p:\groups\minerals\wp\m047-uintah\m0470066-diamondmtntresouces\final\rev1-6892-10212015.docx



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**INITIAL REVIEW OF NOTICE OF INTENTION  
TO COMMENCE LARGE MINING OPERATIONS**

**Deseret Power Electric Cooperative  
Diamond Mountain Resources Mine**

**M/047/0066  
November 4, 2015**

**General Comments:**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
1		Please note that Division requests for additional new information may trigger additional review and comment. (No specific response needed.)	aa	

**105.2 - Surface facilities map**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
2		Please include the 1,000-gallon fuel tank and containment facility on the surface facilities map.	whw	

**R647-4-109 - Impact Assessment**

**109.1 – Projected impacts to surface & groundwater systems**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
3		This section should include a discussion on closest surface water bodies, such as Reader Creek to the south and its associated ephemeral tributaries that abut the mine site. The plan should discuss the likelihood of whether storm water runoff from the mine would reach these surface water bodies.	aa	

**109.2 – Potential impacts to threatened & endangered wildlife/habitat**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action



Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
4	Page 14	While not a listed threatened or endangered, the greater sage grouse is a species of high interest both to federal and state agencies. The mine is within a State designated Sage Grouse Management Area. An on-site consultation between representatives of the Division and the Division of Wildlife Resources was held on October 1, 2014. The NOI needs to discuss the results of this consultation and discuss appropriate mitigation for impacts to the greater sage grouse. At a minimum, mitigation should include amending the reclamation plan to better meet the needs of the greater sage grouse. It is recommended that the proposed seed mix (on page 16) be revised to include western yarrow ( <i>Achillea millefolium</i> ) at a rate of 0.1 pounds of pure live seed per acre, and that the rate for Sandberg bluegrass be reduced to 0.2 pounds PLS/acre.	lk	

#### **R647-4-110 - Reclamation Plan**

##### **110.2 – Reclamation of roads, highwalls, slopes, impoundments, drainages, pits, piles, shafts, adits, etc**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
5		This section discusses the reclamation plan for sediment ponds stating that they are to be filled with waste rock and subsoil, then topsoiled and reseeded. Then the plan goes on to say that the ponds will be used for dust control and irrigation. These statements appear to be conflicting. Using the ponds for dust control and irrigation would imply that the ponds will remain and require post-reclamation maintenance by either the company or the USFS. What is the planned final disposition of the ponds? Please clarify.	aa	
6		In the reclamation cost estimate, the NOI says the generator building, two underground water tanks, pumps and surface piping and fencing will be removed. In the operations plan there is mention of a 1,000-gallon fuel tank and containment facility. Please include a table of all surface facilities. Also state where the surface facilities will be sent at final disposal.	whw	

##### **110.3 - Facilities to be left for post mining use (buildings, utilities, roads, pads, ponds, pits, equipment, etc.)**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
7		The operator states that the access road to the mine will become the responsibility of the USFS, therefore not reclaimed. Please provide documentation that the USFS is in agreement with this long-term plan.	aa & lk	

##### **110.5 - Revegetation planting program**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action



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Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
8	Page 16	Raking in seed tends to 'smooth out' the surface, lessening the benefits of leaving a rough surface for water retention, seedling establishment, erosion control, and discouraging ATV use of the area. Excellent vegetation establishment has been achieved by broadcasting seed immediately after ripping. Seed is incorporated into the soil as the soil settles.	lk	

#### **R647-4-113 – Surety**

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
9	Page 15	Highwalls are scheduled to be drilled and blasted to shape them into slopes of 45 degrees or less. Please include drilling and blasting costs.	whw	
10	Bond	Please include a general description in the text of the generator building – dimensions, type of construction material, floor and footings.	whw	
11	Bond	Please include a general description in the text of the pumps, surface piping, fences and fuel storage and containment facilities.	whw	
12	Bond and Facilities Map	The cost estimate says there are two underground tanks; the surface facilities map shows only one tank. Please clarify.	whw	
13	Bond	Please specify the type of dozer that will be used on site. If the specific make and model is unknown, please state the class, such as approximate horsepower.	whw	
14	Bond	Please specify the type of tractor that will be used on site. If the specific make and model is unknown, please state the class, such as approximate horsepower.	whw	
15	Bond	Please specify the capacity of the pickup (3/4 or 1 ton and if cab or crew).	whw	
16	Bond	Please use the following costs for equipment. These costs include rental, operating costs, overhead and profit.  Grader: \$105.20/hour; labor \$76.75/hour.  Scraper Cat 627: \$357.43/hour; labor \$26.75/hour  Five cubic yard loader (Blue Book doesn't have a Kawasaki 90Z loader): \$87.20/hour; labor \$76.75/hour.	whw	
17	Bond	Please include productivity worksheets to support the number of hours needed for each major piece of equipment.	whw	
18	Bond and Page 16	Please include costs for ripping.	whw	